REMARKS

Claims 1-21 are pending. Claims 16-18 and 20 have been amended. No new matter has been added. Claims 16-17 find support in claim 21. Entry of the amendment is respectfully requested. Reconsideration is respectfully requested.

Status of the Claims

Claim 1 was rejected as obvious pursuant to 35 U.S.C. § 103(a) over Graef (US 4,494,747) in view of Watson (US 5,265,859).

Claims 2-17 were rejected as obvious pursuant to 35 U.S.C. § 103(a) over Graef in view of Watson and Svyatsky (US 4,607,833).

Claims 1 and 18-21 were rejected as obvious pursuant to 35 U.S.C. § 103(a) over Graef in view of Sheng (US 2003/0122298).

Claims 2-17 were rejected as obvious pursuant to 35 U.S.C. § 103(a) over Graef in view of Sheng and Svyatsky.

The Graef in view of Watson Rejection

Claim 1

The Office admits that Graef does not teach or suggest any recited step. Likewise, Graef appears to teach against the recited invention.

The Action alleges that Watson teaches a resilient tab portion (38), picking shaft (8), picking member (4), and a drive shaft (10). Applicants respectfully submit that Watson cannot alleviate the features and relationships admitted as absent in Graef as Watson also does not teach or suggest the recited features and relationships.

The Office has not explained how Watson's spring (38) constitutes a "resilient tab portion".

Nor has the Office explained how Watson's spring (38) constitutes a resilient tab portion "on a housing", especially a housing "in a cash dispensing automated banking machine". Watson actually teaches against the recited invention. Watson teaches that the spring (38) is on a drive shaft (8). The Action is conveniently silent as to what constitutes the "housing" in Watson.

Nor has the Office explained how Watson's spring (38) constitutes a resilient tab portion in "supporting connection" with a picking shaft end. The Action is silent with regard to any support being provided. Again, the spring (38) is on the drive shaft (8).

Nor has the Office explained how Watson's nudger shaft (10) constitutes a drive shaft. Watson actually teaches against the nudger shaft (10) constituting a drive shaft. Watson teaches that a main drive shaft drives the alleged picking shaft (8) which in turn drives the nudger shaft (10) (col. 4, lines 7-15; col. 3, lines 3-4). What shaft does the nudger shaft (10) drive?

Nor has the Office explained where Watson operatively engages a "second end" of the alleged picking shaft (8) with its drive shaft. As previously discussed, the first end (not the second end) of the alleged picking shaft (8) engages the main drive shaft (col. 4, lines 7-15). At best, the alleged tab (38) and the main drive shaft would each be adjacent the same end of the alleged picking shaft (8), not (as recited) at opposed first and second ends. It follows that Watson cannot teach or suggest the recited tab/picking shaft first end and drive shaft/picking shaft second end relationships.

The Office admits that Graef does not teach or suggest recited features. Applicants have shown that Watson does not teach or suggest the recited features admitted as absent in Graef.

That is, the references, taken alone or in combination, do not teach or suggest all of the recited features, relationships, and steps. Thus, the Office has not established a *prima facie* case of obviousness. Applicants respectfully submit that in light of the failure of the applied references

to teach or suggest all of the recited features and relationships, combined with the lack of any other supporting evidence of record, the rejection is not valid. *In re Zurko*, 258 F.3d 1379, 59 USPQ2d 1693 (Fed. Cir. 2001). *In re Lee*, 277 F.3d 1338, 61 USPQ2d 1430 (Fed. Cir. 2002). It would not have been obvious to have combined the references as alleged

Nor would it have been obvious to one skilled in the art to have combined the references as alleged. Watson is non analogous art. Watson is directed to a "printer or copier" (e.g., col. 3, lines 44-45). How is Watson analogous to the environment of a "cash dispensing automated banking machine"?

Watson is not analogous art to the recited invention or to Graef's cash dispensing ATM (col. 1, lines 22-23). One skilled in the art would not have looked to a "printer or copier" of Watson to have modified the cash dispensing ATM of Graef.

The Office has not shown that Watson's printer or copier can dispense cash notes, especially when cash notes generally have a different size and texture from printer or copier paper. Nor has the Office shown that Watson's printer or copier can be used "in a cash dispensing automated banking machine", especially to pick "end notes bounding a stack of notes". It would not have been obvious to one having ordinary skill in the art to have used the non analogous teaching of Watson to have produced the recited invention.

The references, even if combined as alleged, would not have produced the recited invention

Even if (for sake of argument) it were somehow possible (which it isn't) for the references to have been combined as alleged, the result still would not have produced the recited invention. The combined references would still lack all of the recited features, relationships, and steps.

Thus, it would not have been obvious to one having ordinary skill in the art to have combined the references as alleged to have produced the recited invention.

Graef could not be modified as alleged by the Office

Nor has the Office explained how Graef could be modified to have produced the recited invention, especially without destroying the disclosed utility and operability of the Graef apparatus. For example, the rollers in Graef and Watson operate differently. In Graef "when feed roller 28 is driven in note feeding direction, counter-rotating rollers 44 are driven in a reverse direction . . . when the drive for the feed roller 28 is reversed, the one-way clutch 24a overruns, and the rollers 44 are not driven in a reverse direction" (col. 12, lines 21-27).

Conversely, in Watson the rotation of the feed roller (4) in the feeding direction causes the nudger roller (6) to be driven in the same direction (col. 1, lines 36-37 and 44-46). An obviousness rejection cannot be based on a combination of features that would result in destroying the utility or advantage of the device taught in Graef, which is the current situation. *In re Fine*, 837 F.2d 1071, 5 USPQ2d 1598-99 (Fed. Cir. 1988).

The rejection is based on impermissible hindsight reconstruction

The attempts to modify Graef are clearly attempts at hindsight reconstruction of Applicants' claimed invention, which is legally impermissible and does not constitute a valid basis for a finding of obviousness. *In re Fritch*, 972 F.2d 1260, 23 USPQ2d 1780 (Fed. Cir. 1992). The rejection, which lacks the necessary evidence and rationale, is based on knowledge gleaned only from Applicants' disclosure.

The Graef in view of Sheng Rejections

Claim 1

The Office admits that Graef does not teach or suggest any recited step. The Action alleges that Sheng teaches a resilient tab portion (23), picking shaft (15), picking member (16), and a drive shaft (that engages gear 17).

Sheng is directed to conveying paper in a printer. Sheng is non analogous art. For similar reasons previously discussed, Sheng is not analogous art to the recited invention or to Graef's cash dispensing ATM (col. 1, lines 22-23). One skilled in the art would not have looked to the "printer" of Sheng to have modified the cash dispensing ATM of Graef. Nor has the Office shown that Sheng's printer can dispense cash notes or be used "in a cash dispensing automated banking machine", especially to pick "end notes bounding a stack of notes". It would not have been obvious to one having ordinary skill in the art to have used the non analogous teaching of Sheng to have produced the recited invention.

Nor does Sheng teach or suggest the features admitted by the Office to be absent in Graef. For example, the alleged tab portion (23) in Sheng does not <u>axially</u> bias the alleged picking member shaft (15) to maintain engagement with the (15) drive shaft.

The references, taken alone or in combination, do not teach or suggest all of the recited features, relationships, and steps. The Office has not established a *prima facie* case of obviousness. It would not have been obvious to one having ordinary skill in the art to have combined the references as alleged to have produced the recited invention.

Claim 18

Nor does Sheng teach or suggest moving the alleged tab portion (23) in a direction parallel to the longitudinal axis of the alleged picking shaft (15). In Sheng the alleged tab portion (23) is at best moved perpendicular (not axially) to the alleged picking shaft (15). Nor does Sheng teach or suggest a tab portion including a bushing. The Office has not established a *prima* facie case of obviousness.

Claim 20

Nor does Sheng teach or suggest biasing the alleged tab portion (23) in a direction parallel to an axis of the alleged picking member (16), especially where the alleged picking member is rotatable about the axis. Nor does Sheng teach or suggest a tab portion including a bushing. The Office has not established a *prima facie* case of obviousness.

Not all the reasons against obviousness have necessarily been presented

For reasons of brevity the Applicants have not necessarily presented all the reasons as to why the applied references do not render the claims obvious. Applicants reserve the right to later present additional reasons. Nevertheless, Applicants' arguments show that the applied references neither taken alone nor in combination disclose or suggest all of the recited features and relationships. Hence, Applicants' claims patentably distinguish over the applied references. Therefore, it is respectfully submitted that the 35 U.S.C. § 103(a) rejections should be withdrawn.

The Dependent Claims

Each of the dependent claims depends directly or indirectly from an independent claim.

The Applicants have shown the independent claims to be allowable. Thus, it is asserted that the dependent claims are allowable on the same basis. Svyatsky cannot alleviate the admitted and/or noted deficiencies of the other references.

Furthermore, each dependent claim additionally recites specific features and relationships that further patentably distinguish the claimed invention over the applied art. The references do not teach or suggest the features and relationships that are specifically recited in these claims.

Thus, it is respectfully submitted that the dependent claims are further allowable due to the recitation of such additional features and relationships.

Conclusion

Applicants respectfully submit that this application is in condition for allowance.

The undersigned is willing to discuss any aspect of the Application by telephone at the Office's convenience.

Respectfully submitted,

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